

**Minutes of the  
Free Market Protection and Privatization Board**

Thursday, August 14, 2014 - 2:00 p.m.

Room 20, House Building

State Capitol Complex

**Members present:**

Kimberley Jones (Chair), Rep. Johnny Anderson, Thomas Bielen, Randy Park, Manuel Torres, Russell Anderson, Al Manbeian, Bob Myrick, Rick Jones, Jacquie Nielsen, and LeGrand Bitter

**Members absent:**

Brian Gough (Vice Chair), Sen. Howard Stephenson, Sen. Karen Mayne, Rep. Lynn Hemingway, Steve Fairbanks, and Louenda Downs

**Staff present:**

Cliff Strachan, Governor's Office of Management and Budget (GOMB)

Note: Additional information including related materials provided at the meeting and an audio recording of the meeting can be found at <http://gomb.utah.gov/operational-excellence/privatization-board/> and the Utah Public Meeting Notice Website (<http://www.utah.gov/pmn>).

**1. Welcome and Introductions**

Kim Jones chaired the meeting. She welcomed new board members Randy Park, Rick Jones, and Jacquie Nielsen who introduced themselves.

Sen. Howard Stephenson, Sen. Karen Mayne, Rep. Lynn Hemingway, Brian Gough, Steve Fairbanks, and Louenda Downs were excused.

**2. Public Comment (10 minutes)**

Nathan Andelin, Relational Data, provided a summary of concerns pertaining to his complaint against the Utah State Office of Education.

**3. Board Business/Minutes**

**a. Selection of Chair/Vice Chair**

Cliff Strachan noted the requirement in UCA 63I-4a-202(4) to elect a chair. Board practice has been to elect a vice chair too. He called for nominations.

Tom Bielen nominated (and others seconded) Kim Jones to be the chair. No other nominations were made. Kim Jones acclaimed to the chair.

Mr. Bielen nominated (and others seconded) Brian Gough to be the vice chair. No other nominations were made. Brian Gough acclaimed to the vice chair.

**b. Open and Public Meetings Act**

Mr. Strachan provided a handout and overview of the Act and requirements upon the board as a public body. In discussion, the board talked about what it takes to have a closed meeting.

**c. Minutes from June 12, 2014**

*Motion:* Al Manbeian moved to approve the minutes of the June 12, 2014 meeting. CARRIED

**d. Privatization Process Advisory Committee**

Mr. Strachan provided an update and a handout from Sequoia Consulting summarizing progress. The committee meets again on Tuesday, August 19, 2014. The process documents should be coming to the board at the next meeting.

**3. Commercial Activities Inventory (CAI)**

Mr. Strachan noted that we are still not able to survey the Departments of Human Services, Workforce Services, or Health. The privatization process under development should improve the quality of the surveys in the future.

**4. Review Privatization of an Activity**

Mr. Strachan updated the board on the operational excellence work being done by GOMB with respect to the Department of Technology Services. The direction recommended for the Technology Services Advisory Committee is to help make the business development (assessment) process at the department more conducive to promoting outsourcing.

He also noted that the Total Cost of Ownership Study being conducted on the state's payroll and human resources functions is nearly complete. That information should be forthcoming.

**5. Review Issues Concerning Agency Competition with the Private Sector**

**a. Utah Science Technology and Research (USTAR)**

Ivy Estabrooke, Ph.D., Executive Director, and Jim Grover, Finance Manager, presented an overview of USTAR and its programs, essentially research, technology outreach and innovation. It operates two core facilities located at the University of Utah and Utah State University.

During the discussion, questions and answers, the board learned that:

- USTAR is somewhat unique among the states though other models or investment programs are used to try to accomplish similar results.
- USTAR intends to survey other states' programs to determine best practices.
- the state doesn't make money directly as revenues are directed back into the programs and universities.

**6. Other Business/Adjourn**

*Motion:* LeGrand Bitter moved to adjourn. CARRIED

Scheduled Board meetings:

- Thursday, September 11, 2014 at 2 pm in 20 House Building
- Thursday, October 9, 2014 at 2 pm in 20 House Building
- Thursday, November 13, 2014 at 2 pm in 20 House Building
- Thursday, December 11, 2014 at 2 pm in 20 House Building
- Thursday, January 8, 2015 at 2 pm in 20 House Building

Advisory Committees:

- Competition Review - TBD
- Privatization Process - July 8, 2014 at 2:30 PM, Room 240, Capitol Building
- DTS Review - TBD